

MULTIMEDIA



UNIVERSITY

STUDENT ID NO

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# MULTIMEDIA UNIVERSITY

## FINAL EXAMINATION

TRIMESTER 1, 2018/2019

**BLE2114**

**LEGAL ENVIRONMENT IN INTERNATIONAL BUSINESS**

( All sections / Groups )

15 OCTOBER 2018

2.30P.M – 4.30P.M

(2 Hours)

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### INSTRUCTIONS TO STUDENTS

1. This Question paper consists of **FOUR (4)** printed pages (including cover page) with four (4) Questions only.
2. Attempt **ALL** questions. All questions carry equal marks and the distribution of the marks for each question is given.
3. Please write all your answers in the Answer Booklet provided.

**QUESTION 1 (25 Marks)**

- (a) Explain TWO (2) types of Dispute Settlement through diplomacy in international practice.

(10 marks)

- (b) Mamooth Industry, a Japanese corporation, manufacture semi-conductor in Japan, signed a contract on sale and purchase of semi-conductor with Asahi Co. Ltd, the distributor which was located at New York. In the contract, there is a clause provided that:-

*"All disputes or claims arising out of this contract, or breach thereof, shall be resolved by arbitration before Japan Commercial Arbitration Association, and according to the rules of that body. Any award rendered thereby may be entered in any court of competent jurisdiction".*

The ship was scheduled to reach at New York on 30<sup>th</sup> June 2018. However, it was arrived on 15<sup>th</sup> July 2018 due to a problem at the engine of the ship. Asahi Co. Ltd. suffered losses out of the late delivery and filed the case to the New York International Arbitration Center.

Advise Asahi Co. Ltd whether the company can successfully claim from Mamooth Industry on late delivery and whether Asahi Co. Ltd can file legal action at New York International Arbitration Center.

(15 marks)

(Total : 25 Marks)

**QUESTION 2 (25 Marks)**

- (a) Explain what is Bill of Lading and the importance of Bill of Lading to the Purchasers.

(10 Marks)

- (b) Explain THREE (3) types of Ocean Bills of Lading.

(15 Marks)

(Total : 25 Marks)

**Continued .....**

**QUESTION 3 (25 Marks)**

(a) According to the Convention on Contracts in International Sale of Goods, it contains provisions that assign the risk of loss unless the parties agree otherwise, any loss or damage to the goods occurring after the risk of loss has passed from seller to buyer does not relive the buyer of his or her obligation to pay for the goods, unless the loss or damage is the fault of the seller.

i. Describe what is Trade Terms;

(5 Marks)

ii. Explain each of the Trade Terms below accordance to the International Rules for the Interpretation of Trade Terms or Incoterms 2010:

a) C Terms;

(5 Marks)

b) F Terms;

(5 Marks)

(b) Briefly explain the terms below in accordance to Marine Insurance Law: -

i. A contract of marine cargo insurance

(5 Marks)

ii. The coverage of War Risk in the Marine Insurance

(4 Marks)

(c) State when insurable interest exists in marine insurance.

(1 Marks)

(Total : 25 Marks)

**Continued .....**

**QUESTION 4 (25 Marks)**

- (a) Zaidi is the distributor of ZNEYC's cosmetic products. He uses facebook application to promote the product. Mazni who is the online shopper is very interested with ZNEYC's facial cleanser. She sends a private message on the facebook to order the facial cleanser.

Zaidi replied Mazni 'private messages', **"1 unit ZNEYC Facial Cleanser (tomatoes ingredients), RM35 + RM14 for postage, total RM49. Upon full payment through our CIMB bank account number: 74532789, please send us the receipt transaction and fill up below information for post purpose:**

**Name:**

**Address:**

**Phone Number:**

Mazni has transferred the payment and give the details to Zaidi. After 2 weeks, Mazni still did not receive any parcel from Zaidi. She contacts Zaidi again through private messages on the facebook. However, Zaidi replied there was no contract between him and Mazni.

Advise Mazni.

(10 Marks)

- (b) Explain the following with regards to the Contract for the International Sale of Goods (CISG):

- i. State TWO (2) obligations of the seller under the CISG

(5 Marks)

- ii. State THREE (3) requirements to form a valid electronic commerce in International Sales of Goods

(3 Marks)

- iii. In the case where the contract agreed between the buyer and seller is done through electronic commerce such as communication via email only, is it necessary for the parties to have a signature to the contract?

(7 Marks)

(Total : 25 Marks)

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